

Investment Committee Meeting
Maryland State Retirement and Pension System
120 E. Baltimore St., 16th Floor Board Room, Baltimore, MD 21202
Friday, 11/13/2015
9:00 AM - 1:00 PM ET

- ACTION ITEM** 1. Open Session Minutes
The Open Session Minutes of the September 11, 2015 Investment Committee meeting will be recommended for approval.
September 11 2015 OPEN SESSION minutes - Page 5

APPROVE.....DISAPPROVE.....DEFER

- ACTION ITEM** 2. Next Year's Investment Committee Meeting Dates
The Committee will act on a recommendation regarding the meeting schedule for the coming year.
Proposed 2016 Investment Committee Meeting Dates - Page 17

APPROVE.....DISAPPROVE.....DEFER

- ACTION ITEM** 3. Updates to Investment Policy Manual
The staff will present proposed language to the Investment Policy manual regarding matters including: asset allocation policy, benchmarks, use of special purpose vehicles and internal management.
Investment Policy Manual Update memo - Page 19

APPROVE.....DISAPPROVE.....DEFER

- INFORMATION** 4. Private Equity and Real Estate Cash Flows
The staff will discuss projected cash flows for the real estate and private equity programs.
Cash Flow Forecast memo - Page 21
Altius cash flow model - Page 23

- INFORMATION** 5. Manager Fees
The staff will provide a response to the Meketa memo dated August 7, 2015 regarding management fees.
Management Fee Memo - Page 33
Meketa_August 7 2015 Fee memo - Page 35

- INFORMATION** 6. Net Benefit Payment Analysis
Staff will present an analysis of the System's net benefit cash flows.
Net Benefit Payments Defeasance memo - Page 37

- INFORMATION** 7. Report from CIO
The staff will present a 3Q15 investment performance update and summary of portfolio characteristics to the Committee.
CIO Report memo - Page 41

INFORMATION 8. Meketa Reports

Meketa Investment Group will present a September 30, 2015 performance update and a current market overview.

Meketa Report memo - Page 43

INFORMATION 9. Investment Reports

The Committee will receive the following reports:

- > Equity Valuation Models
- > State Street Performance Reports
- > Private Markets Performance Reports
- > Securities Lending Report
- > Division's FY16 Travel Plan - Update
- > Quarterly ORP Performance Report
- > OPEB-PHBT Update
- > New Hire Manager Report

On the Directors Desk:

- > Broker Commission Reports

Equity Valuation Model memo - Page 45

State Street Performance Reports - Page 53

Private Markets Performance Reports - Page 97

Securities Lending Report - Page 105

Division's FY15-16 Travel Plan - Page 107

Quarterly ORP Performance Report - Page 111

OPEB-PHBT Update - Page 115

New Hire Manager Report - Page 117

ACTION ITEM 10. Motion by the Investment Committee to meet in Closed Session for the purposes of:

(a) reviewing the closed session Investment Committee minutes, pursuant to General Provisions Art., Section 3-103(a)(1)(i), the exercise of an administrative function;

(b) discussing the System's scheduled elimination of a position in a fund pursuant to General Provisions Art., Section 3-305(b)(5), to consider the investment of public funds, 3-305(b)(13), to comply with a specific statutory requirement that prevents public disclosure, namely, General Provisions Art., Section 4-335 preventing the disclosure of trade secrets and confidential commercial or financial information and to consult with counsel to obtain legal advice pursuant to General Provisions Art., Section 3-305(b)(7);

(c) presenting by Meketa of a Terra Maria Investment Manager Fee Review pursuant to General Provisions Art., Section 3-305(b)(5), to consider the investment of public funds, and 3-305(b)(13), to comply with a specific statutory requirement that prevents public disclosure, namely, General Provisions Art., Section 4-335 preventing the disclosure of trade secrets and confidential commercial or financial information;

(d) presenting by staff of a sample Manager Due Diligence report including the analysis of staff and Meketa pursuant to General Provisions Art., Section 3-305(b)(5), to consider the investment of public funds, and 3-305(b)(13), to comply with a specific statutory requirement

that prevents public disclosure, namely, General Provisions Art., Section 4-335 preventing the disclosure of trade secrets and confidential commercial or financial information; and

(e) discussing matters regarding the investment of public funds with staff, pursuant to General Provisions Art., Section 3-305(b)(5).

APPROVE.....DISAPPROVE

CLOSED SESSION

- ACTION ITEM** 11. Closed Session Minutes
*September 11, 2015 Investment Committee meeting

APPROVE.....DISAPPROVE

- INFORMATION** 12. Fund Redemption Update
The CIO and the Office of the Attorney General will provide an update on a fund redemption.

- INFORMATION** 13. Terra Maria Manager Fee Review
Meketa will present an analysis of the Terra Maria Fee structure.

- INFORMATION** 14. Manager Due Diligence
Staff will present a sample Manager Due Diligence report, including the analysis by staff and Meketa.

- INFORMATION** 15. Report from CIO

- ACTION ITEM** 16. Motion by the Investment Committee to adjourn closed session and return to open session

APPROVE.....DISAPPROVE

OPEN SESSION

ACTION ITEM 17. Motion by the Investment Committee to adjourn meeting

APPROVE.....DISAPPROVE

INFORMATION 18. NEXT INVESTMENT COMMITTEE MEETING - FEBRUARY 5, 2016 @ 9:00 a.m.